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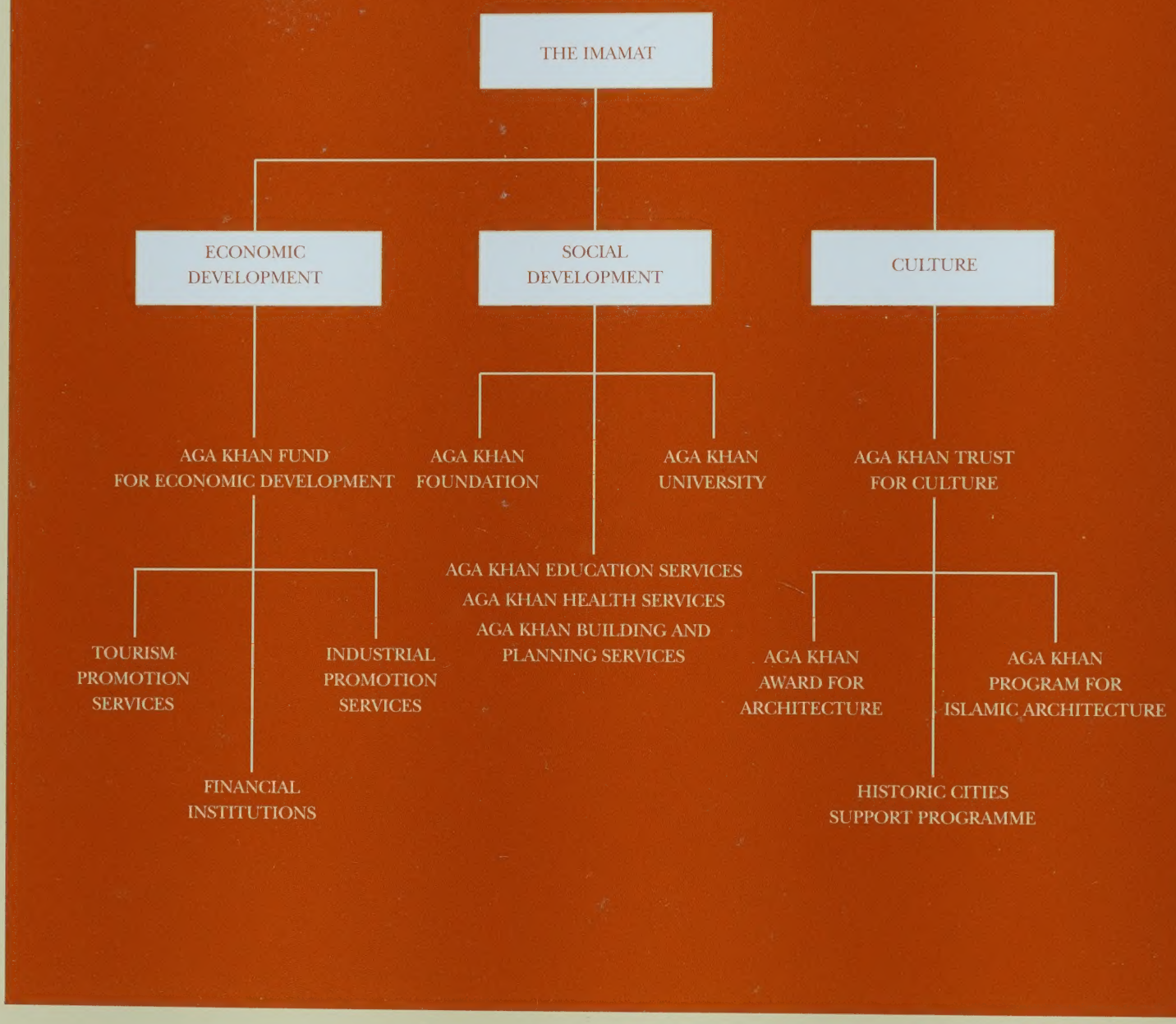
The Aga Khan Development Network in East Africa

THE AGA KHAN DEVELOPMENT NETWORK



THE INTERNATIONAL CONTEXT

The **Aga Khan Development Network (AKDN)** is a group of private institutions working to improve living conditions and opportunities in specific areas of the developing and developed world. They were founded by His Highness the Aga Khan, Imam of the Shia Imami Ismaili Muslims, with specific mandates in three main areas of activity - social development, economic development and culture. They are open to people of all faiths and origins.

In social development, five non-profit institutions support activities in health, education, housing and community development, mostly in East Africa, South Asia and Central Asia. The **Aga Khan Foundation (AKF),** a non-denominational development agency, currently funds over 100 projects in 12 countries in East Africa, South Asia, Central Asia (as well as Europe and North America). The **Aga Khan Health Services (AKHS)** operate health facilities, from primary health care programmes to hospitals, in East Africa and South Asia. The **Aga Khan Education Services (AKES)** provide schooling and other educational services in East Africa and South Asia. **Aga Khan Building and Planning Services** work to improve living conditions in buildings and open spaces in Pakistan and India. The **Aga Khan University (AKU)** is a self-governing international institution of higher learning whose Faculty of Health Sciences, teaching hospital and Institute for Educational Development are in Karachi, Pakistan. New AKU institutes, to be located in East Africa and elsewhere, are in the planning stage.

The **Aga Khan Fund for Economic Development (AKFED)** implements the AKDN's for-profit economic development activities. It consists of three groups of companies. **Industrial Promotion Services (IPS)** has affiliates in East Africa, West Africa, South Asia, Europe and North America. **Tourism Promotion Services** operates hotels and lodges in East Africa and Pakistan. Financial institutions operating under the AKFED aegis are in East Africa and South Asia.

The **Aga Khan Trust for Culture (AKTC)** oversees and implements the AKDN's cultural activities. Under its aegis are the **Historic Cities Support Programme (HCSP)**, with projects in Zanzibar, Cairo, Karimabad in Pakistan and Samarkand in Uzbekistan; the **Aga Khan Award for Architecture (AKAA)**, a triennial prize which recognizes outstanding achievements in the built environment, especially in societies where Muslims have a significant presence. AKTC's Architectural Education Programme supports programmes, including the **Aga Khan Program for Islamic Architecture at Harvard University and the Massachusetts Institute of Technology**, which educate specialists who can contribute to building and design for Muslim societies today.

In recent years, AKDN agencies have disbursed an annual average of US $100 million for non-profit activities. AKFED and associated companies control assets in excess of US $750 million.

The Aga Khan Development Network (AKDN) is an international group of institutions, established by the Aga Khan, whose social, economic and cultural activities span South and Central Asia as well as Africa and include Europe and North America (see box). Along with South Asia, sub-Saharan Africa is home to the AKDN's oldest institutions - business enterprises in West and East Africa, and health care and educational institutions in East Africa. This document focuses on the development of the AKDN in East Africa. It aims to show how community-based institutions founded there during the early part of this century have grown into a network of national organizations open to all, and pursuing innovative approaches to social development, economic development and culture in the region today.

Through individual institutions, the AKDN traces a history in East Africa which goes back to the last century. It was in the early years of the 19th century that members of the Shia Imami Ismaili Muslim Community, known as the Ismailis, began to move to East Africa, along with other settlers from the Indian subcontinent. The trend accelerated in the latter part of the 19th century and the beginning of the 20th. The existence of a one-room community school is documented for the first time in 1905, on the island of Zanzibar. Even earlier, members of the Ismaili community had settled as far inland as Kampala.

During the Imamat (1885-1957) of Sir Sultan Mahomed Shah Aga Khan, the present Aga Khan's grandfather, an institutional network began to take shape throughout East Africa. Medical facilities and schools were created; financial institutions were set up to support housing and small development projects with funds contributed during the Jubilee celebrations (1935 and 1945) of Sir Sultan Mahomed Shah. During the same period, Sir Sultan Mahomed Shah became one of the founders of the East African Muslim Welfare Society, establishing a tradition which continues into the present day of outreach and collaboration with other Muslim communities.

A new era for all of these institutions began in the 1950s, shortly before Kenya, Tanganyika, Zanzibar and Uganda became independent countries, when legislation in East Africa

permitted community-based institutions to offer their services to people of all races, faiths and origins. The Aga Khan institutions were among the first to open their doors. Under the guidance of His Highness Prince Karim Aga Khan, who acceded to the Imamat in 1957, they responded to the challenges of independence with further commitments to national development. These included the construction of a state-of-the-art hospital in Nairobi, which opened with 112 beds in 1958 (it now has 225 beds), and the opening of flagship nursery, primary and secondary schools in Nairobi, Dar es Salaam and Kampala in the 1960s. In the field of economic development, Industrial Promotion Services companies were created by the Aga Khan throughout East Africa in 1963 to support industrial initiatives in the private sector. Following the creation of Tourism Promotion Services in 1971, a network of hotels and lodges, known as the Serena Group, was established in Kenya; it has now been extended to Tanzania (created in 1964, through an Act of Union signed by Tanganyika and Zanzibar). The Kenyan office of the Aga Khan Foundation (AKF) opened in 1974. By the 1980s, it had established programmes in health care, education and rural development, some of which are now region-wide.

The evolution of the AKDN's institutions and programmes has been conditioned by recent history in East Africa. It was facilitated by the shared regional goals of governments in the 1950s and 1960s, which led to the foundation of the East African Community. This early regional thrust provided a propitious context for the development of region-wide policies in certain sectors: during this period, for example, schools in Kenya, Tanzania and Uganda shared a common education programme, and the Diamond Trust was a single East African financial institution.

In the 1970s, the possibility of regional synergies declined for the AKDN institutions in East Africa, as different situations developed within each country: relative stability and a mixed economy in Kenya; over a decade of civil war in Uganda, where the Asian populations were expelled and their assets expropriated; socialism and nationalization in Tanzania. Nevertheless, institution-building continued on a national basis, albeit at different speeds, in Kenya and Tanzania, where the Aga Khan Education Service (AKES) and the Aga Khan Health Service (AKHS) were formally incorporated in 1986.

In recent years, the AKDN has grown in size and complexity in East Africa. Strongest in Kenya in the 1970s and early 1980s, institutional development has recently received an important impetus in Tanzania, where liberalization policies are creating new opportunities for the private sector in the economic, social and cultural spheres. AKF, which had been supporting programmes in Tanzania since 1984, opened an office in Dar es Salaam in 1991. AKES opened a primary school in 1993. A major effort to revitalize Zanzibar's Old Stone Town, led by the Aga Khan Trust for Culture (AKTC), was facilitated by the establishment of the Aga Khan Cultural Service (Zanzibar) in 1990. AKFED is participating in the privatization of state-owned enterprises in Tanzania. It has also now completed a major expansion of its East African hotel and lodge network, both on the mainland and on the island of Zanzibar.

In Uganda, peace and stability have also created new opportunities for the AKDN to serve development. Schools and other properties confiscated in the early 1970s have been returned by the Government. An enabling fiscal environment, facilitating the flow of resources from income-producing sectors to social services, has made it possible for the Aga Khan Fund for Economic Development (AKFED) to contribute to the rehabilitation of the schools. As a result, AKES is already running nursery and primary schools on its Makerere Road premises in Kampala, where it has also started school improvement programmes, with AKF support. The creation of an enabling environment for social and economic activities in Uganda has also made it possible for AKFED to undertake new ventures, reactivating dormant or near-moribund enterprises and participating in the privatization of industrial concerns in its areas of expertise. AKF opened its Ugandan office in 1992.

This presentation describes a group of institutions poised to play a growing role in the development process in East Africa. Formal agreements for cooperation have been signed with the governments of Uganda (1989 and 1992), Tanzania (1991) and Kenya (1992), recognizing the AKDN's contributions to national development and creating an enabling framework for its activities. Cooperation between the public and private sectors is facilitating new AKDN projects in several areas. In social development, these include the design of health policies which can contribute to the building of pluralistic health systems in the region, a new initiative in support for non-governmental organizations in Zanzibar, and plans for new programmes to improve health by alleviating poverty.

The new enabling environment in the region is also helping AKDN institutions become more autonomous and self-sustaining. As the cost of quality health care and education moves beyond people's capacity to pay for them, AKDN institutions are looking for new ways to cover their costs, assure access to services and finance programme development. The establishment of endowments is one way. In Kenya, for example, AKF has created an endowment fund with donations from local individual and corporate donors, recently boosted with an important gift from Prince Sadruddin Aga Khan, the uncle of the Aga Khan. The goal is to develop the local financial capacity to support programmes with a permanent source of funding.

Along with these encouraging new developments on the national level, AKDN activities also stand to benefit from the new climate of regional cooperation in East Africa. Many programmes in health, education and economic development are now regional - examples, described below, range from AKFED's work in the fields of leather processing, tourism and the financial sector, to AKF's projects in school improvement and early childhood education and the development of cross-country strategies in both the AKES and AKHS systems.

Part of a regional web of programme experience, programmes in East Africa are also part of the international AKDN. In health, education and rural development, AKF has programmes in South Asia and Central Asia which are important resources for its programmes in East Africa. AKF also has considerable international experience in providing support for non-governmental organizations, a focus for new programmes in East Africa. Both AKHS and AKES represent networks of cooperating facilities in South Asia as well as East Africa. The Aga Khan University is playing a growing role in meeting the AKDN's research and training needs in East Africa, and is to establish new institutes there. And new programmes currently being considered for Mozambique and Madagascar in a variety of fields will be able to draw upon decades of experience acquired in East Africa (as well as in Mozambique and Madagascar themselves, before local political problems halted institutional development there).

Critical challenges face Africa's developing societies. Public resources for social services are shrinking, placing a heavy responsibility on all providers to find ways of sustaining services, and to assure access to all who seek health care, education or other services. These have become major concerns in all of the AKDN's social development institutions, and the focus of specific projects. The growing openness of East Africa's societies and economies offers rich possibilities for growth and change, but also poses questions of the preservation and revitalization of cultural heritage, and environmental protection - questions which AKDN institutions are tackling in specific projects in education, economic development, and culture, all described below.

Although the challenges are daunting, the opportunity to meet them is real. Thanks to new possibilities of cooperation between the public and private sectors, as well as collaboration between local, regional and international agencies, the potential of the AKDN to contribute to development in East Africa has never been greater than it is today.

AKES IN EAST AFRICA

Aga Khan Education Service, Kenya

Secondary Education (Enrolment: 1,867 Staff: 230)
Aga Khan Academy, Nairobi
Aga Khan High School, Nairobi *(government-aided)*
Aga Khan High School, Mombasa *(government-aided)*
Aga Khan Kenya Secondary School

Primary Education (Enrolment: 3,253 Staff: 226)
Aga Khan Primary School, Nairobi *(government-aided)*
Aga Khan Junior Academy, Nairobi
Aga Khan Primary School, Kisumu *(government-aided)*
Aga Khan Primary School, Mombasa *(government-aided)*
Aga Khan Junior Academy, Mombasa

Pre-school Education (Enrolment: 961 Staff: 116)
4 Aga Khan Nursery Schools: Nairobi, Kisumu, Mombasa, Eldoret

Aga Khan Education Service, Tanzania

Secondary Education (Enrolment: 806 Staff: 70)
Aga Khan Mzizima Secondary School, Dar es Salaam

Primary Education (Enrolment: 687 Staff: 60)
Aga Khan Primary School

Pre-school Education (Enrolment: 938 Staff: 106)
8 Aga Khan Nursery Schools: Arusha, Mwanza, Dodoma, Dar es Salaam, Morogoro, Moshi, Mbeya, Tanga

Aga Khan Education Service, Uganda

Secondary Education (Enrolment: 1,500 Staff: 71)
Kampala Secondary School *(government-aided)*

Primary Education (Enrolment: 1,190 Staff: 59)
Aga Khan Primary School, Kampala
Kampala Primary School, *(government-aided)*

Pre-school Education (Enrolment: 173 Staff: 18)
Aga Khan Nursery School, Kampala

AKF IN EAST AFRICA: CURRENT PROJECTS IN EDUCATION

Aga Khan Foundation (Kenya)

District Centres for Early Childhood Education *(Ministry of Education, Kenya)*
Kisumu School Improvement Programme *(AKES, Kenya)*
Mombasa School Improvement Programme *(AKES, Kenya)*
Mombasa Madrasa Resource Centre *(Madrasa Resource Centre, Kenya)*

Aga Khan Foundation (Tanzania)

Kinondoni Teachers' Resource Centre *(Ministry of Education, Tanzania)*
Zanzibar Secondary English Language Orientation Project *(Ministry of Education, Zanzibar)*
Zanzibar Madrasa Resource Centre *(Madrasa Resource Centre, Zanzibar)*
Zanzibar Child-to-Child project *(Ministry of Education, Zanzibar)*

Aga Khan Foundation (Uganda)

Kampala Schools Improvement Programme *(AKES, Uganda)*
Uganda Madrasa Resource Centre *(Madrasa Resource Centre Ltd., Uganda)*

Regional

East African Regional Madrasa Programme *(joint project, Madrasa Resource Centres)*

Three AKDN institutions are involved in education in East Africa. **Aga Khan Education Services (AKES)** provide schooling of quality to over 10,000 students in Kenya, Tanzania and Uganda, from the pre-primary through the secondary level. The **Aga Khan Foundation (AKF)**, with branches in all three countries, is funding 6 different grantees for 12 development projects in two areas of concern: improving the quality of schools and early childhood education. Many of the related efforts of AKES and AKF in education are now being supported by the **Aga Khan University (AKU)**, whose **Institute for Educational Development (IED)**, founded in Karachi, Pakistan in 1993, has become the AKDN's international venue for professional training and research in education.

The schools of the Aga Khan Education Service are the bedrock of the AKDN's work in education in East Africa. Some of them go back to the turn of the century; many were established in the 1960s, as Kenya, Tanzania and Uganda became independent. AKES, Kenya operates thirteen schools, from the pre-primary through the higher secondary level. With ten schools, AKES, Tanzania also provides education through the higher secondary level. In Uganda, under the terms of the Accord for Co-operation signed with the government in 1992, the new AKES, Uganda, has rehabilitated and reopened a nursery school, primary school and secondary school in its Makerere Road school complex in Kampala, where some of the finest Aga Khan schools in East Africa were located before civil strife broke out in 1972. Tax relief granted by the Ugandan government for donations made it possible for local Aga Khan Fund for Economic Development companies to provide significant financial support for this rehabilitation effort.

In all three countries, AKES companies have been established by statute as non-profit institutions, and the services they provide to the schools they operate are often subsidized. Nevertheless, in keeping with the philosophy of the AKDN, schools are expected to cover part of their recurrent costs. Modest fees enable them to do so, while fostering community participation and accountability.

AKES has had to meet specific challenges in each of the three countries. Nationalization of over 40 Aga Khan schools in Tanzania in the 1960s sharply reduced AKES's operations as a private provider of education and placed it under curricular and other constraints. In Uganda, no activity was possible for almost twenty years, as all Aga Khan school properties were confiscated and the country went through a period of tragic turmoil. In Kenya, conversion to a government-aided system affected two AKES secondary schools and three of its primary schools.

These challenges have been met in two ways. First, the establishment of service companies in the 1980s provided a framework in Kenya and Tanzania for AKES schools to develop as private systems delivering quality education within each country. Second, collaboration with AKF has enabled the Kenyan, Tanzanian and now Ugandan AKES systems to develop programmes in early childhood education, school quality improvement, English language instruction and teacher development. These thematic programmes have been designed to be replicated in a variety of schools and school systems, both public and private. They are having impact throughout national school systems and the East African region.

In early childhood education, AKF's programming efforts go back to the early 1980s. To improve the access of young children to formal schooling, grants were made to the Aga Khan Education Services in Kenya and Tanzania, the Kenyan Headmistress Association and the Government's District Centres for Early Childhood Education, the DICECE programme. The goal was to create a broadly replicable model of community-based pre-school education in the context of a curriculum which introduces numeracy and language skills, and is continuous with the culture of the family. The approach to community-based curriculum development and teacher training has been adapted in a variety of communities throughout East Africa.

One highly successful example took shape on the Kenyan coast. Initiated by a request from a local community to the AKDN, it led to the creation of community-financed and operated pre-schools in local madrasas, along with the development of an "integrated curriculum" rooted in Muslim and Swahili coast culture and the setting-up of a resource centre in Mombasa to serve the young women who become teacher trainees. In response to local demand and with AKF support, madrasa pre-schools have also been set up in Zanzibar and Uganda. The programme, now regional, is benefitting from lessons learned in all three contexts. During the present phase, it is focusing upon issues related to its long-term sustainability, including accreditation of teachers and programme quality.

School improvement projects supported by AKF and AKES also benefit from regional synergies. AKES schools in Dar es Salaam and Nairobi provided the first laboratories for such projects in East Africa. Following internationally-confirmed principles of school quality management, school improvement projects began in individual schools, where staff training took place alongside management reform, the refurbishment of the school plant and the creation of teachers' resource centres. Project schools on the pre-primary, primary and secondary school levels then became the base for outreach activities to other schools, both public and private, throughout the country. Most recently, teachers from the Aga Khan Nursery and Primary Schools have helped design an AKF project which will benefit 15 schools through the creation of a project team and resource centre at the government Kinondoni Teacher Centre in Dar es Salaam.

In Kenya and Uganda, the pattern of developing and sharing expertise has been similar. Lessons from a Computers in Education and a Mathematics and Science Improvement project in Nairobi fed into a project in Kisumu, where the Aga Khan Primary School serves as project office for 40 urban and peri-urban schools in the district. Officials from Mombasa came to Kisumu to develop an initiative for the coastal city, and a project team from Kampala was helped to plan a project based in the Aga Khan Primary School and involving a growing number of government schools. The Kampala programme has included the creation of Uganda's first Teachers' Resource Centre.

The School Improvement Projects have been catalysts for development within entire school systems, bringing together private providers like AKES with government schools and other partners, whether government agencies or university faculties. The benefits for all of the schools involved in the projects have been confirmed by independent evaluators. The projetcs have also contributed to the emergence of an AKES network of "key schools" in the region, with subject specializations and shared curricular and training resources.

The growth of the Aga Khan Development Network has brought new specialized institutions into the AKDN's educational programmes and institutions in East Africa. Teachers from East Africa have been trained as "Master Teachers" at the Aga Khan University's Institute for Educational Development (IED) in Karachi; IED has conducted a workshop on school leadership in Mombasa for a region-wide group and is now involved in a study of the training needs of East African teachers. AKES and Phillips Academy, Andover, a leading secondary school on the East coast of the United States, have formed an International Academic Partnership, whose goals include curricular development in certain areas, library development and teacher and student exchanges.

AKHS IN EAST AFRICA

Aga Khan Health Service, Kenya

Hospitals

Aga Khan Hospital, Nairobi
Number of beds: 225 Staff: 1,001
In-patients (1995): 13,598 Out-patients (1995): 175,500

Aga Khan Hospital, Kisumu
Number of beds: 82 Staff: 221
In-patients (1995): 4,374 Out-patients (1995): 49,000

Aga Khan Hospital, Mombasa
Number of beds: 103 Staff: 295
In-patients (1995): 6,808 Out-patients (1995): 55,100

Primary Health Care Programmes *(Mombasa and Kisumu)*
Population covered: 128,408

Aga Khan Health Service, Tanzania

Hospitals

Aga Khan Hospital, Dar es Salaam
Number of beds: 88 Staff: 467
In-patients (1995): 8,000 Out-patients (1995): 120,000

Medical Centres *(providing basic in-patient services)*

Aga Khan Medical Centre, Mwanza
In-Patients (1995): 525 Out-Patients (1995): 11,547 Staff: 32

Aga Khan Medical Centre, Iringa
In-Patients (1995): 518 Out-Patients (1995): 12,937 Staff: 28

Health Centres

Aga Khan Health Centre, Dodoma
Patients (1995): 15,973 Staff: 9

Aga Khan Health Centre, Mbeya
Patients (1995): 14,785 Staff: 16

Aga Khan Health Centre, Morogoro
Patients (1995): 13,190 Staff: 17

AKF IN EAST AFRICA: CURRENT PROJECTS IN HEALTH

Aga Khan Foundation (Kenya)

Kisumu Primary Health Care *(AKHS, Kenya)*
Women's Economic Development *(CARE, Kenya)*
Mombasa Primary Health Care *(AKHS, Kenya)*
Strengthening District Health Systems *(AMREF)*

Aga Khan Foundation (Tanzania)

Zanzibar Health Sector Reform Project
(Ministry for Health, Zanzibar)
Primary Medical Care and In-service Training Programme
(AKHS, Tanzania)

Regional

Regional Networking Programme *(AKHS, Kenya)*
Planning Grant for an East African Institute of Advanced Nursing
(AKU School of Nursing)

Providing high quality health care and raising the health status of people in East Africa are the AKDN's broad goals in the health sector. They are served through an emphasis, in current projects, on health systems development, strengthened by new regional programmes and investment. Three AKDN institutions are participating in this effort. The **Aga Khan Health Services (AKHS)** have facilities in Kenya and Tanzania which provide close to 500,000 patients per year with care in both rural and urban, and preventive and curative contexts; its hospitals provide an increasingly complete range of high quality clinical services. The **Aga Khan Foundation (AKF)**, with branches in Kenya, Tanzania and Uganda, works with a variety of grantees, including AKHS, to improve the health of vulnerable population groups, especially mothers and children, and promote health services development on the national and regional levels. AKF and AKHS have been joined in their work in health care in East Africa by the **Aga Khan University (AKU)**'s Faculty of Health Sciences in the areas of professional training, especially for nurses, and epidemiological research.

The AKDN's work in health care in East Africa aims to assist countries in the building of effective, sustainable health systems linking different kinds of services and levels of care. It has an especially significant role to play as a private provider of hospital care in long-established, growing local institutions.

The history of AKHS's hospitals and health centres in East Africa begins with facilities in the cities and towns of the colonial period - a health centre which expanded into a maternity and nursing home in Dar es Salaam in the 1930s; maternity homes in Mombasa and Kisumu which became full-service hospitals in the 1950s; the Aga Khan Hospital in Nairobi, which opened in 1958 and is now one of the leading hospitals in the region. These institutions entered a new period of development when Kenya and Tanganyika acceded to independence in the 1960s. Today, AKHS is, by statute, a non-profit organization which operates five health centres and four hospitals in East Africa, including the leading private hospitals in Tanzania and Kenya. Through these hospital facilities, it has an urban presence which is unique in the region

today, placing AKHS in a position to develop models of good practice through the delivery of high quality diagnostic and curative care, in-service training, care in the community and public health services. The corporate clientele of its hospitals has given AKHS expertise in an important and neglected area of public health in the developing world - the promotion of workers' health.

Both the Aga Khan Hospital in Nairobi and the Aga Khan Hospital in Dar es Salaam are in the midst of major expansions coordinated by a new Regional Office based in Nairobi. New land has been acquired for the expansion of the hospital in Dar es Salaam, and increases in the number of beds are underway for both hospitals. The simultaneous expansion of ambulatory services and day care will allow for the provision of more cost-effective care. Programmes for the development of clinical specialties, including cardiology, pediatrics, orthopedics and traumatology, are increasing the range of secondary and tertiary services which these hospitals are able to offer their patients.

The expansion programme emphasizes the introduction of new diagnostic services which will improve the function of both hospitals as referral centres. High quality, high technology laboratory medicine and radiology services are enhancing the capability of the Aga Khan Hospital in Dar es Salaam to provide referral services in Tanzania. The Aga Khan Hospital in Nairobi is poised to develop as the institution of choice for referral for patients on the regional level, thus strengthening the whole health sector. A further step in the AKDN's international referral process links the Aga Khan Hospital in Nairobi to the Aga Khan University Hospital in Karachi, Pakistan.

Along with this investment in hospital services, the AKDN's work in the health sector in East Africa also entails a commitment to developing effective approaches to disease prevention and health promotion. In a health systems framework, care begins outside the hospital or health centre, with community-based primary health care (PHC). In the 1980s, AKHS and AKF created PHC projects in Kisumu and Kwale, two rural districts in Kenya. The projects have trained people in the Kisumu and Kwale communities in PHC technologies and management, and catalyzed community-based efforts to increase safe water supplies. In other projects in Kenya and Zanzibar, AKF is working with government services to develop tools for health sector policy design and resource allocation. AKF's international experience in PHC management and information systems through its Management Advancement Programme is an important resource in this area. AKF is also supporting projects which improve the health of vulnerable groups, like women, by enhancing their socio-economic status.

Assuring the sustainability of their services and improving access to them is a concern for all the AKDN health institutions and projects, from the PHC to the tertiary care level. Toward this end, user fees are set for all services, even the most highly subsidized. Hospitals use any operating surpluses to subsidize the increasing cost of care. Developing effective mechanisms for referral is another way of improving access. AKF projects are looking at ways of reinforcing the referral interface between community-based care and hospital services. AKHS's current hospital expansion will improve referral processes through better diagnostic services at all levels. In a new region-wide strategy, AKHS is also offering an increasing range of services on the first level of care, including care in the community (for conditions which do not require hospitalization), primary medical care, workers' health, health worker training and health systems research. AKHS does not attempt to provide comprehensive health services to any geographically-defined population. However, its regional strategy for the development of this level of health care will lead to the start-up of some activity in Uganda, where up to the present time AKHS has not been a provider of health services.

The regional health programme also includes human resource and training components for personnel from other institutions in the region, both public and private, as well as the AKDN's own facilities. The Aga Khan Hospital in Nairobi is becoming a major regional centre for post-basic training for nurses, in a project now being designed by the Aga Khan University with support from AKF and AKHS.

AKFED IN EAST AFRICA

Tourism Development *Staff: 1,878*

Tourism Promotion Services (Kenya) Ltd
(3 Serena hotels; 2 Serena lodges)

Tourism Promotion Services (Tanzania) Ltd
(3 Serena lodges; 1 Serena tented camp)

Tourism Promotion Services (Zanzibar) Ltd
(1 Serena hotel)

Financial Services *Staff: 724*

Diamond Trust Bank Kenya Ltd

Diamond Trust Bank Tanzania Ltd

Diamond Trust Bank Uganda Ltd

Diamond Jubilee Investment Trust (Uganda) Ltd

Diamond Trust Properties (Uganda) Ltd

Industrial Promotion Building (Kenya) Ltd

Jubilee Insurance Company (Kenya) Ltd

Jubilee Insurance Company (Uganda) Ltd

Jubilee Investments Company Ltd

Industrial Development *Staff: 2,868*

Industrial Promotion Services (Kenya) Ltd

Allpack Industries Ltd

Frigoken Ltd

Leather Industries of Kenya Ltd

Novaskins Tannery Ltd

Kenya Litho Ltd

Kamyn Industries Ltd

Wire Products Ltd

Plastics & Rubber Industries Ltd

Premier Food Industries Ltd

Ukulima Tools Ltd

Industrial Promotion Services (Tanzania) Ltd

TIP Soap & Glycerine Ltd

Tanzania Litho Ltd

Kilimanjaro Blanket Corporation Ltd

Tanzania Hosiery Ltd

Moshi Leather Industries Ltd

Industrial Promotion Services (Uganda) Ltd

Uganda Fishnet Manufacturers Ltd

Leather Industries of Uganda Ltd

Promoting economic development in sub-Saharan Africa's private sector has long been an AKDN priority. Activity goes back to the 1930s and 1940s, when financial institutions were established to meet the insurance, credit and housing needs of the Ismaili Community in East Africa; by independence, these companies were offering their services to a broad-based regional clientele. Involvement in selected sectors of private sector industry in both West and East Africa followed suit in the 1960s; from the outset, the approach combined equity investment, often with international partners, and management support. Activity in tourism began in the 1970s, and it was in East Africa that the AKDN's commitment to tourism as a key sector in developing economies first took shape.

Companies in the three areas of industry, tourism and financial services have been brought under the institutional umbrella of the Aga Khan Fund for Economic Development (AKFED), founded by the Aga Khan in 1984. AKFED is an international development agency which provides equity capital, in preference to loans, to selected projects which also benefit from the technical and management expertise of AKFED's local affiliates and international partners. In East Africa, AKFED is spearheading the development of regional groups of companies in which shared management experience, technological know-how and economies of scale are a source of synergy and growth, further amplified by links with related AKFED companies in West Africa, Europe and Asia.

AKFED's industrial projects develop under the aegis of its Industrial Promotion Services (IPS) companies, founded in Kenya, Tanzania and Uganda in 1963 (elsewhere in Africa, IPS Zaire and IPS Côte d'Ivoire were established in 1963 and 1964). IPS projects in East Africa illustrate a major goal of the entire IPS group - to promote economic activities which put local resources to work in an environmentally sound way, using sophisticated technologies adapted to local needs. The strategy of the group seeks to develop the comparative advantages acquired in such projects on either the regional or international level, or both. It also emphasizes the training of skilled manpower and promotion of export-oriented industries - both to generate foreign exchange and to strengthen ties to regional and international economies.

IPS's involvement in agro-industry in East Africa demonstrates this approach. East Africa produces a rich variety of agricultural exports, and several IPS project companies have been established to add to their value. One example is Frigoken, which has become the largest Kenyan processor of vegetables

for export. The company's activity actually begins upstream. It provides technical inputs and advice to several thousand growers, whose production is now no longer limited to the season when the fresh product finds a market in Europe. High quality processing and specialty packaging have assured the success of Frigoken's products abroad. IPS's commitment to the development of export markets for African food products has also led to the creation of a new packaging unit in Kenya, Allpack. The IPS group has packaging companies in Côte d'Ivoire, Burkina Faso and Senegal, as well as a unit in Europe. Allpack stands to benefit from and contribute to the activity of a growing, diversified group of international interests in this area.

Hides for the leather industry are another major East African agricultural export. In 1984, IPS created Leather Industries of Kenya (LIK) to supply finished hides to European markets, adding value to the raw or only partially treated product. Today, LIK is Kenya's leading leather exporter, supplying both local manufacturers and market leaders in Europe. In areas including environmentally sound waste treatment, quality control and personnel training, LIK's plant and policies are setting standards that have entitled AKFED to play a key role in the privatization of the leather industries of Tanzania and Uganda. In Tanzania, a team from LIK accomplished the turnaround of Moshi Leather Industries after the company was privatized in 1994; Leather Industries of Uganda, privatized in 1995, also underwent swift rehabilitation under the oversight of an LIK team. Leather production is now taking place under the AKFED aegis in all three countries of East Africa.

With privatization, liberalization and the promotion of regional markets and services on the agendas of all three East African governments, the private sector now has unprecedented opportunities to make contributions to economic development on both the national and regional levels. After a long lapse in activity due to political upheaval, IPS (Uganda) was reactivated and recapitalized in 1995, joining IPS (Kenya) and IPS (Tanzania) to create a regional framework for AKFED's activities in the industrial sector. In the financial sector, the new enabling environment has made it possible for AKFED to play a catalytic role in the formation of a regional banking association. A publicly quoted, leading financial institution in Kenya, Diamond Trust Kenya (DTK) has been instrumental in the revival of Diamond Trust Uganda (DTU) and Diamond Trust Tanzania (DTT) over the past six years. It has invested resources in both companies, shared expertise and trained staff. All three Diamond Trust institutions acquired full commercial banking licenses in 1995.

The regional impetus is also at work in AKFED's East African insurance companies. Jubilee Insurance had continued operations in Kenya throughout the first three decades after independence, when activities ceased in Tanzania and Uganda. Jubilee Insurance (Kenya) became a publicly quoted company in 1984 and has developed a full range of general and life insurance products. Through a major recapitalization by AKFED, the International Finance Corporation (World Bank Group) and Uganda's Development Finance Company, Jubilee Insurance (Uganda) has once again become a leading private sector insurance company. Conditions in Tanzania should soon permit a new Jubilee Insurance Company to be created there, completing the regional insurance group.

AKFED's twenty-five year history in tourism in East Africa began in Kenya, where the Serena group operates two five-star hotels in Nairobi and Mombasa, along with three lodges in the Amboseli, Samburu and Maasai Mara game parks. AKFED's objectives in the sector are multiple. A labour-intensive industry, tourism is a source of both employment and foreign exchange for East Africa's developing economies; at the same time, it can also stimulate interest in the different cultures of the region and the protection of its environment. The design of each Serena hotel integrates local architectural and craft traditions. Their respect for the environment has been recognized by international organizations, and commended as a model for other operators in East Africa. Serena's training policies have created a skilled local work force - among its 1300 employees in Kenya, there are only two expatriates.

Serena's experience in Kenya has enabled it to contribute to the development of sustainable and culturally sensitive tourism in Tanzania. Four new properties in Tanzania's game parks and a new inn on the island of Zanzibar have been designed to be in harmony with site and surroundings. Studies of local topography, history and culture have informed the design of three new lodges and a luxury tented camp in Tanzania's mainland interior; they are located above Lake Manyara, on the rim of the Ngorongoro Crater, in Central Serengeti and in Western Serengeti. On the island of Zanzibar, a new hotel has been created through the reutilization of two existing seafront structures built some eighty years ago. The buildings have been converted for re-use as the Zanzibar Serena Inn with the help of a grant from the Aga Khan Trust for Culture, ensuring compatibility with the historic character of the Inn's surroundings and contributing to the revitalization of the area (see Culture section). These new developments in tourism have created jobs for some 560 Tanzanians, all of whom have received professional training.

Africa is home to many Muslim societies. Their cultural expressions in architecture and the built environment have been a focus of the Aga Khan Trust for Culture (AKTC) ever since its first programme, the triennial Aga Khan Award for Architecture, was founded in 1977. Many projects in Africa have become Award recipients over the past two decades including, in the last two Award cycles (1992 and 1995), the Kairouan Conservation Project (Tunisia), the Cairo Cultural Park for Children (Egypt), the Panafrican Institute for Development (Burkina Faso), the Kaedi Regional Hospital (Mauritania) and the Alliance Franco-Sénégalaise (Senegal). In 1980 a special Chairman's Award was created to honour architects whose lifelong work was considered exceptional; the first recipient was Egyptian architect Hassan Fathy. The Award has held seminars in West Africa, East Africa and North Africa on a variety of subjects related to architecture in contemporary Islamic societies, including "Architecture as Symbol and Self-Identity" (Fez, 1979), "Reading the Contemporary African City" (Dakar, 1982), "The Expanding Metropolis: Coping with the Urban Growth of Cairo" (Cairo, 1984), "The Architecture of Housing" (Zanzibar, 1988). The education of architects throughout Africa is a concern of the Trust through its Architectural Education Programme and the Aga Khan Program for Islamic Architecture at Harvard University and the Massachusetts Institute of Technology.

In East Africa traditional Swahili culture, as expressed in the built environment, has been the subject of fieldwork carried out by students at both institutions in the framework of the Aga Khan Program, including a study of a 14th century palace, Husuni Kubwa, on the island of Kilwa Kisiwani (Tanzania), and a study of traditional housing in the Old Stone Town of Zanzibar.

Also in East Africa, a pioneering project in AKTC's Historic Cities Support Programme (HCSP) is contributing to the revitalization of one of the world's most distinctive Muslim cultures. Located in the Old Stone Town of Zanzibar, an irreplaceable architectural witness to the urban, Swahili civilization of the East African coast and the Indian Ocean, the HCSP project has both produced a Master Plan for the development of the historic core of Zanzibar and carried out the restoration of one of its landmark buildings. This is the so-called "Old Dispensary," an imposing wood and coral seafront structure built in the 1880s, at the end of Zanzibar's Omani period.

Characteristic of HCSP's approach, the restoration of the Old Dispensary has been accomplished by using the original building techniques and materials, notably coral stone, teak imported from India, and lime mortar. While done with a view to contemporary re-use, restoration work has left the existing structure completely intact.

The restoration of the Old Dispensary is not an isolated gesture. It has contributed to the creation of a trained workforce capable of joining other restoration projects in the Old Stone Town. It is also part of a wide-ranging strategy for development, the Zanzibar Stone Town Conservation Plan, prepared by AKTC in collaboration with the Zanzibari Ministry of Water, Conservation, Energy, Lands and Environment. In HCSP's approach to the revitalization of the Muslim world's historic cities, the architectural heritage can only be safeguarded within a general policy and planning framework which encourages growth and establishes mechanisms for both conservation and development. Hence it is particularly appropriate that AKTC should be joined in Zanzibar by AKFED, the AKDN entity responsible for economic development activities. AKTC and AKFED have collaborated in the design of the new Zanzibar Serena Inn, which is converting two formerly derelict seafront structures (Zanzibar's former telecommunications building and the former British Consulate) into a 52-room hotel. AKTC made a site grant to AKFED for the Zanzibar Serena Inn in order to preserve the character of the seafront area during its redevelopment, which is one of the aims of the conservation and development plan. It is also providing the design for the rehabilitation of Kelele Square, adjacent to the Zanzibar Serena Inn.

Other AKTC initiatives in East Africa have included a seminar on housing organized by the Aga Khan Award for Architecture in Zanzibar in 1988, with site visits to Lamu and Mombasa and a session in Nairobi. By bringing an international group of architects into contact with the East African architectural community, it stimulated interest in the region's culture, which the Aga Khan described during the seminar's opening session as "a rich tapestry into which solutions of human habitation have been woven for centuries."

AKDN PARTNERS IN EAST AFRICA

African Medical and Research Foundation (AMREF)

Book Aid International

British Airways

Canadian International Development Agency (CIDA)

CARE (Kenya)

Charity Projects

Commonwealth Development Corporation (CDC)

Deutsche Entwicklungsgesellschaft (DEG)

East African Development Bank

European Commission

European Investment Bank

Ford Foundation

Government of the Republic of Kenya

Government of Japan

Government of the United Republic of Tanzania

Government of the Republic of Uganda

International Finance Corporation (IFC)

Investors in Industry

Japan Labour Welfare Corporation

Ministry of Education, Zanzibar

Ministry of Health, Zanzibar

Overseas Development Administration (ODA)

Proparco

Rahimtulla Trust

United States Agency for International Development (USAID)

United Nation's Children's Fund (UNICEF)

Volunteer Service Overseas (VSO)

SUMMARY LIST OF INSTITUTIONS

Aga Khan Foundation (AKF)	AKF provides funding and technical assistance for many social development projects carried out by Network institutions and other agencies.
Aga Khan University (AKU)	AKU is a self-governing international institution of higher learning. Its Faculty of Health Sciences, University Hospital and Institute for Educational Development are training professionals to deliver high quality health and education services in the developing world.
Aga Khan Health Services (AKHS)	AKHS provides both primary health care and hospital-based curative services in South Asia and East Africa.
Aga Khan Education Services (AKES)	AKES provides schooling and other educational services in day care centres, primary schools and secondary schools in South Asia and East Africa.
Aga Khan Fund for Economic Development (AKFED)	AKFED carries out the Network's economic development activities in three groups of companies specialized in industry (Industrial Promotion Services), tourism (Tourism Promotion Services) and financial services.
Industrial Promotion Services (IPS)	AKFED's industrial development and venture capital arm, IPS is especially active in sub-Saharan Africa and Asia.
Tourism Promotion Services (TPS)	TPS is the AKFED institution that carries out projects in tourism development. It operates facilities under the Serena name.
Aga Khan Trust for Culture (AKTC)	AKTC coordinates the Network's cultural programmes: the Aga Khan Award for Architecture, the Historic Cities Support Programme and various educational initiatives, including the Aga Khan Program for Islamic Architecture.
Aga Khan Award for Architecture (AKAA)	Recognizing outstanding architectural achievement throughout the Muslim world, AKAA is a prize awarded at the conclusion of a three year cycle of nomination, project documentation and technical review.
Aga Khan Program for Islamic Architecture (AKPIA)	This is an endowed initiative in architectural education for the Muslim world at Harvard University and the Massachusetts Institute of Technology. It aims to train architects and related professionals to meet the needs of contemporary Muslim societies.
Historic Cities Support Programme (HCSP)	HCSP approaches tasks of conservation and preservation in the Islamic world's historic cities in ways that aim to stimulate social, economic and cultural development.